

## TIPS TO CONSIDER WHEN SHOPPING FOR HEALTH INSURANCE

The purpose of this brochure is to provide consumers, who shop for health insurance, some tips on how to best shop in the health insurance marketplace. Before a consumer decides the kind of health insurance they need, they should first consider what they may already have. Only then can they determine if they have too much, too little, or enough protection.

If you are trying to find a good agent, ask someone you know and respect if they would recommend theirs. Try to find an agent who is reliable and helpful in answering any questions you have about a policy.

*Although most agents are honest, you should keep two things in mind. First of all, an agent cannot change the contents of the policy. Only the insurance company can do that. Secondly, if the agent fills out the application for you, read it carefully and make sure all the information is correct before you sign it, especially those questions related to your health.*

## POINTS TO REMEMBER

### **Shop Carefully.**

Health insurance is expensive, so **comparison shopping** is worth the time it takes to shop around.

### **Be Careful About Changing Policies.**

Changing an old policy with a new one may or may not be a good idea. Just remember that a new policy may have waiting periods and pre-existing conditions exclusions that could leave you without coverage, so be extremely careful. Take the time to weigh all options.

### **Beware Of Sharp Sales Practices.**

You should take your time and not be pressured into buying an insurance policy.

### **Do Not Be Misled By Advertising.**

Only you can decide if a policy is the right one for you. Do not buy a policy simply because it is endorsed on television and radio, in newspapers or other advertisements by famous people.

### **Look Out For Pre-Existing Conditions And Other Exclusions.**

A health condition you already have when you buy a policy is called a pre-existing condition. It may include a condition you have recovered from. A pre-existing condition can also be a health condition misrepresented or not revealed in the application, for which symptoms existed prior to the effective date of coverage, causing you to seek diagnosis, care or treatment. It can also be a condition in which medical advice or treatment was recommended by or received from a physician.

One of the main reasons that many claims are denied or payments are delayed is a pre-existing condition exclusion in the policy contract. Even if health questions are not asked on the application, the policy may not cover conditions you already have. **Make sure you understand the definition of**

*pre-existing conditions and how long they will not be covered.* Read the limitation and exclusion provisions of your policy very carefully.

### **Know If And When An Insurer Can Refuse To Renew Your Policy.**

Read the renewal provision which is usually found on the first page of the insurance policy.

### **Fill Out Your Application Completely And Accurately.**

If you do not give correct and complete answers to medical questions, your claims may be denied or your policy cancelled. If an agent fills out the application for you, read it carefully before signing it. When you sign an application you are agreeing that it is correct and complete.

In addition, have a relative or friend review the application from the agent to make sure it contains the information you provided.

### **Make Sure There Is A "Free-Look" Provision.**

Most companies give you at least 10 days to look over your policy after you receive it. This means the policyholder has 10 days after receipt of the policy to decide if they want to keep it.

### **Be Careful How You Pay For The Policies.**

It is best to pay by check, money order, or bank draft made out to the insurance company. Do not make the payments payable to an agent. **If you pay cash, make sure you get a receipt.**

## ***Drafting Insurance Premiums From Your Checking or Savings Account***

It is important to find out all the details about having insurance premiums drafted through your checking or savings account. You should check with the bank beforehand to determine what steps are necessary to process insurance premium payments through the checking or savings account. If the decision is made to have premiums drafted from a bank account, you may want to consider establishing a separate account for premium drafting only.

### ***When A Problem Occurs.***

Contact your agent or insurance company first.

### ***Help From The Department Of Insurance.***

If you do not receive a satisfactory response from your agent or insurance company, you may need help from the South Carolina Department of Insurance. You can write or call the Department at the address or telephone number listed below.

STATE OF SOUTH CAROLINA  
DEPARTMENT OF INSURANCE  
300 Arbor Lake Dr., Suite 1200  
Post Office Box 100105  
Columbia, South Carolina 29202

## **STATE OF SOUTH CAROLINA DEPARTMENT OF INSURANCE**

### **SOUTH CAROLINA HEALTH INSURANCE GUIDE**

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Number 14 - Reprinted November 1998